

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113

Sacramento, CA

Minutes of Meeting

April 28, 2005

COMMISSIONERS PRESENT

Nancy E. McFadden, Chair
Diane M. Griffiths
Teresa P. Hughes
Vicki Marti
Lynn Schenk
Cathie Bennett Warner

CMAC STAFF PRESENT

J. Keith Berger, Executive Director
Enid Barnes
Theresa Bueno
Paul Cerles
Denise DeTrano
Holland Golec
Steve Soto
Michael Tagupa
Mervin Tamai
Carol Tate
Karen Thalhammer

COMMISSIONER ABSENT

Thomas Calderon

EX-OFFICIO MEMBERS PRESENT

Bob Sands, Department of Finance
Sunni Burns, Department of Health Services

I. Call to Order

The April 28, 2005 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Chair Nancy E. McFadden. A quorum was present.

II. Approval of Minutes

The April 14, 2005 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Mr. Berger reported that representatives from Scripps Health System had submitted a request to appear before the Commission in closed session and that they were present and prepared to appear at today's meeting. He recommended that the request be approved and the Commissioners concurred.

Mr. Berger informed the Commissioners that there were a significant number of hospital and managed care amendments and new contracts before them for action during today's closed session. Included were the recommended amendments for two Supplemental Payments Programs, Medical Education and SB 1255. In total there were 96 amendments and new contracts that required discussion and action.

Mr. Berger indicated that last week a letter was sent by Governor Schwarzenegger to Michael Leavitt, Secretary of the Federal Department of Health and Human Services, requesting that the hospital financing waiver discussions, which includes the renewal of the Selective Provider Contracting Program (SPCP), be completed as soon as possible. Approval of the proposed restructuring in the waiver is seen as critical to ensuring that the safety-net hospitals in California remain open. It is also a key building block to the Administration's Medi-Cal Redesign proposals that the Governor wants the Legislature to address in the coming months.

Ms. Burns was asked if there was an update on the hospital financing waiver. She indicated that she did not have anything to report at this time.

Ms. Burns noted that discussions are continuing with the State and the Centers for Medicare & Medicaid Services (CMS) and as soon as something more definitive is known it will be reported to the Commission.

At this time, Mr. Berger took a moment to introduce and welcome Carol Tate as the new CMAC Office Technician/Receptionist.

Mr. Berger reported that the Region IX Office of CMS responded to a letter from John Muir/Mt. Diablo Health System regarding concerns with access to contracted inpatient care for Medi-Cal beneficiaries in HFPA 411. The CMS letter made several key points and asked DHS to intensify its monitoring of the situation and report back to CMS within the next six months.

Mr. Berger indicated that one of the key points in the letter from CMS was that, after reviewing the documentation from both the hospitals and the State, CMS concluded that the State is in compliance with the requirements of the SPCP waiver. CMS has some concerns about the State's reliance on the county hospital, but said it appears that non-emergency hospital services are being provided at both SPCP contracting and non-contracting facilities, and that there is nothing in the waiver that prohibits the State from utilizing non-contracting hospitals in selective HFPAs to meet that need.

Mr. Berger indicated that DHS has already initiated steps to increase monitoring efforts and will be reviewing transfer policies and procedures of selected contracting and non-contracting hospitals in HFPA 411.

Sunni Burns confirmed that DHS is working on gathering a workgroup within the Medi-Cal Operations Division to review access in HFPA 411 and that CMS asked the State to report back in six months with its findings. She said DHS will update the Commission when the data is ready for submission to CMS.

IV. Medi-Cal Managed Care Activities

Mr. Berger indicated that there was nothing new to report at this time.

V. New Business/Public Comments/Adjournment

Vicki Bermudez, RN, Regulatory Policy Specialist for the California Nurses Association, requested to address the Commission, stating that she had some essential and important financial information for the Commission regarding Scripps Hospitals and Medi-Cal.

Ms. Bermudez expressed concern about Scripps announcement that it plans to stop admitting Medi-Cal patients for non-emergency care. She discussed issues relating to statements about Scripps financial conditions including their scheduled appearance at the California Health Facilities Financing Authority that afternoon.

Ms. Bermudez also noted that she has documented a series of problems that Scripps nurses are currently experiencing at the Scripps Encinitas facility that could affect quality of care, including a high turnover rate. She asked the Commission to take both the financial and quality issues into account in its negotiations with the Scripps system.

Ms. Bermudez provided the Commission with several documents that she felt supported her position. Those documents are available on CMAC's website or upon request.

There being no further new business and no additional comments from the public, Chair Nancy McFadden recessed the open session. Chair McFadden opened the closed session, and after closed session items were addressed, adjourned the closed session, at which time the Commission reconvened in open session. Chair McFadden announced that the Commission had taken action on hospital and managed care contracts and amendments in closed session. The open session was then adjourned.